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## Politics

## The Heritage Model

Besides finding a Democratic national chairman with the organizational skills of Republican chairman Bill Brock, besides raising lots of money and training new candidates at the grassroots level, and besides thinking about a new agenda, the liberal movement in America needs its own counterpart to the conservative Heritage Foundation—a fast-moving, well-financed, highly visible research and propaganda organization capable of analyzing issues from a liberal perspective and getting its product quickly into the hands of members of Congress and the press. The liberal establishment has its think tanks, notably the Brookings Institution and the Carnegie Endowment, which traditionally provide refuge for people who have been or aspire to be top Cabinet and subcabinet officers in Democratic administrations. The Republican establishment has the American Enterprise Institute, Stanford's Hoover Institution, and Georgetown's Center for Strategic and International Studies. Such organizations can be depended upon to produce, besides high officials, high policy—lengthy, learned, and often definitive studies on large public policy issues.

But nobody else is quite like the Heritage Foundation—organizationally, functionally, or ideologically. Instead of serving up grand concepts for the executive branch and academia, Heritage has concentrated on short (5,000 to 10,000 word) issue analyses primarily for legislators and their assistants. The subject matter and implicit conclusions of Heritage Issue Bulletins (studies of specific legislation) and Backgrounders (broader issues studies) have a distinct right-wing tilt. Heritage is against the windfall profits tax, fair housing amendments, and hospital cost containment; for higher defense spending, a constitutional amendment on abortion, and energy deregulation. But the research is solid and detailed, the arguments are clear, and the impact on congressional debate and press commentary is impressive. There are a number of liberal organizations that publish newsletters on specific issues—arms control, domestic surveillance, civil rights, and labor—but none cover the entire spectrum of public policy, as Heritage does, and consistently turn out dependable research. Liberals probably didn't need a Heritage Foundation when the Democrats controlled the fact-marching machinery of both houses of Congress and the executive. But they do now.

Instead of being staffed with graybeards who address each other as Mr. Secretary, Heritage has 20 or so professionals, all under 40. Most are recent or soon-to-be PhDs earning between \$15,000 and \$25,000 a year who look forward to advancing to congressional staff jobs rather than walnut-lined slots in the upper bureaucracy. With so many liberals forced out of Senate and administration jobs in the November landslide, it ought to be easy to find comparable or superior brainpower to populate a liberal Heritage. The problem may be in finding people as energetic.

Heritage is also ideologically distinct from the establishment think tanks of the right and left. It is a committed rightist organization, although the Reagan victory, the rightward drift of American public opinion, and the rise of farther-out organizations make it seem far less incendiary and extremist than it might have looked five or even three years ago. One official of a major traditional think tank says that "anything to the right of the Heritage is the fringe." But Heritage's own administrators regard it as "mainstream conservative," representing all the principal strains of US conservatism—the traditional right (William F. Buckley's variety, and also John Ashbrook's and Phil Crane's), economic libertarians (Milton Friedman's kind), the anti-communist and hardline pro-defense right (Ronald Reagan's traditional base), the new right (Phyllis Schlafly, Jerry Falwell, Richard Viguerie and company), and, increasingly, neoconservatives (Irving Kristol's crowd, Pat Moynihan's, and Midge Decter's). Presumably it would be difficult to form a similar alliance of disparate liberal interest groups, since cohesion among them does not exist. But all strains of liberalism wouldn't have to be represented in a liberal Heritage. For one thing, the left-liberal or radical strain already has its own think tank, the Institute for Policy Studies. What's needed is a research factory for Kennedy-Mondale-Jackson-McGovern moderate liberals, where they can fight for consensus and produce critiques of what the conservatives are doing in Congress, within the administration, and at the Heritage Foundation.

Such an enterprise requires an entrepreneur such as Heritage has in Edward J. Feulner Jr., a 39-year-old former Chicagoan who became a conservative in college reading Russell Kirk's *The Conservative Mind*, Buckley's *God and Man at Yale*, and Barry Goldwater's *Conscience of a Conservative*. Feulner went on to do graduate work at the London School of Economics and came to Washington as a congressional aide. He served briefly as personal assistant to Defense Secretary Melvin Laird, then returned to the Hill, first as an aide to Representative Phil Crane, then as director of the Republican Study Committee, a consortium of right-

wing legislators. In 1973 he and Paul Weyrich, then an aide to Senator Gordon Allott, agreed on the need for a quick-study research organization for Congress. They contacted right-wing beer brewer Joseph Coors, who provided the group's original seed money of \$250,000. Weyrich ran the organization until late 1975, when he left to become a new right political organizer. At that time, Heritage's budget was \$743,000. For the next year, the organization was managed by Frank Walton, a California businessman who introduced direct-mail fundraising and ran the budget up to more than one million dollars. Feulner took over in April 1977. Partly owing to his efforts, and partly to Walton's, the 1977 budget was two million dollars. By 1979 it was \$4.1 million, including \$600,000 to purchase a new building on Capitol Hill and \$3.5 million for research and other operations. This year the operations budget will be five million dollars. Next year's will be \$5.3 million.

Heritage's biggest contributor is the Scaife Family Trust. Second is Coors, who gives about \$300,000 annually—about six percent of Heritage's budget, as opposed to 90 percent in the early years. Other big donors include the Noble Foundation, established with income from an Oklahoma oil and gas fortune, and the John M. Olin Fund, whose president, former treasury secretary William Simon, is on the Heritage board. Heritage gets money from 87 corporations on the *Fortune* 500, according to Feulner. "From the standpoint of the business community, there's no reason why that shouldn't be 487," Feulner says, given Heritage's pro-business, anti-government orientation. He says there are exceptions to consistent alignment with corporate interests, though. Heritage's massive 3,000-page set of recommendations to the incoming administration included a call for elimination of federal subsidies for synfuel development in spite of the fact that a major recipient of subsidies is the Fluor Corporation, whose president sits on Heritage's board and which gives Heritage about \$50,000 a year.

Besides corporate and fat cat contributions, Heritage gets small donations of two dollars to \$20 from 120,000 people by direct mail. "For the first time," says Feulner, "you have a broadly supported think tank. We're not just Joe Coors's mouthpiece in Washington."

Rather, Heritage is a mouthpiece for the whole conservative movement, and it speaks in many forms. Besides the Issues Bulletins and Backgrounders, Heritage publishes a quarterly, *Policy Review*, which increasingly includes the work of neoconservatives. It also puts out a defense and foreign policy newsletter, *National Security Record*; *International Briefing*, a publication that reports on foreign projects that might be useful in the United States; *Institution Analysis*, which reports

on the funding and output of left-wing organizations; *Educational Update*, a new rightish newsletter attacking sex education and other scholastic deviations from traditional morality; and *Critical Issues*, a monograph series on especially complex issues. In addition, Heritage sponsors lecture series, congressional seminars, and briefing sessions for editors, any or all of which are forums liberals might adapt.

One other Heritage feature surely is adaptable and necessary for the revitalization of liberalism. That is its resource bank, its lists of conservative academics, organizations, and experts that can be tapped for Heritage research or congressional testimony, brought together for conferences, and otherwise kept interlocked. It may have pleased liberals to think for years that the conservative movement consisted merely of small-minded businessmen, troglodyte congressmen, hot-eyed ex-generals, and weird anti-feminists in tennis shoes—plus a few antic intellectuals such as William Buckley, Friedrich Hayek, and Ernest van den Haag. Such illusions are impossible now, in the wake of Reagan's victory. Liberals are discovering to their amazement that a lively out-of-power intellectual right always has existed around such organizations as the Intercollegiate Studies Institute, the Philadelphia Society, and the Mont Pelerin Society—not to mention that serious, if misguided, journal, *National Review*. In fact, the intellectual right has grown quite large. Heritage has 1,000 scholars linked into its academic network whom it contacts periodically to supply with material and with requests for ideas. According to resource bank director Willa Johnson, Heritage serves as "a clearinghouse, a conduit, and a catalyst" for conservative intellectuals and activists. A liberal network just as large could be formed, but someone has to do it and begin stimulating new thinking on public policy questions.

All Heritage's intellectuals really have not produced an abundance of original ideas. The one cited most often as a Heritage product is that of low-tax enterprise zones to encourage investment in high-unemployment areas. Even that idea, as it happens, originated in England—and with a Socialist, at that—and was imported here by Heritage staff members. Heritage people claim they are about to produce another novel idea—a scheme for limited energy exploration of wilderness areas.

But Heritage is astoundingly good at packaging and trumpeting conservative proposals in the media. Hardly a week goes by without some major newspaper or magazine publishing a story or an op-ed piece based on a Heritage report. One of the great publicity masterstrokes of the year was Heritage's Mandate for Leadership project, the 3,000-page report to the new administration on what needed to be done to impose conservative government on the country. A forthcoming conservative budget, calling for domestic spend-

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ing cuts of \$50 billion to \$60 billion in fiscal 1982, should create a new bonanza of stories. Heritage gets at least as much press attention as AEI even though its budget is half the size of AEI's and its staff includes no ex-presidents or Cabinet members. It remains to be seen what the Reagan administration will do with Heritage's proposals, but they were received enthusiastically enough by Reagan's chief of staff, Ed Meese. It should come as no surprise that 14 Heritage staff and board members made it onto Reagan transition teams. Feulner, in fact, is on the transition executive committee.

What happens to a right-wing think tank when right-wingers take control of the government? Feulner hopes that Heritage will be both a source of new proposals for the administration and its conservative watchdog, setting a conservative policy standard to which the administration could repair. The principles Heritage espouses are beneficent enough—a free market economy, a strong US foreign policy, and less government regulation. But as its big Reagan advisory project demonstrated, its specific agenda—and the pressures it will place on Reagan—may be considerably more dangerous. It wants revival of House and Senate internal security committees and a cutback in rules prohibiting unconstitutional behavior by the FBI (see box on page 12). It wants reductions in US food programs and rural development, though not in agricultural subsidies. It uncritically calls for building nearly every weapon ever proposed at the Pentagon. Its education program focuses on looser civil rights enforcement and on measures (tuition vouchers and tax credits) likely to undermine the public schools. It wants to stop public interest law firms from suing the government.

On the liberal side somebody is going to have to challenge these proposals and question whether they and the rest of the right-wing agenda will produce a good and effective society. The unions, civil rights groups, teachers, civil liberties organizations, arms controllers, and others will do their bit, but they will not represent the concerted brainpower of the liberal movement, nor the focused publicity-getting power. It doesn't cost a lot of money to have a first-rate liberal research group. It will take a good deal of enterprise and energy, however.

**Morton Kondracke**

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## Keeping an Eye on Smiley's People

President-elect Ronald Reagan has promised to restore American prestige abroad and restrict expansive government power at home. The Heritage Foundation, whose name implies nothing if not a defense of traditional values, has submitted a report to him on how those goals can be achieved. In one crucial area, though, the conservative intellectuals at the Heritage Foundation seek a dramatic extension of government authority. At the moment of Reagan's triumph, with liberals defeated and the left virtually non-existent, they are consumed with high anxiety about subversives.

The internal security threat today is greater than at any time since World War II, says Sam Francis, a Heritage expert with a doctorate in history from the University of North Carolina and author of the section on internal security in the Heritage report.

Since 1974, there has been a domestic cutback. The House Internal Security Committee has been abolished, the Attorney General's list of subversive groups is no longer extant, and a great many files on subversives have been literally destroyed. Whenever you have that kind of collapse of an internal security apparatus you are going to have subversive types popping up. You have these people prepared to use violence and conspiratorial methods against the United States.

The consequences of inaction in the face of this menace are potentially dire, says Francis. "I'm not going to tell you that the KGB has penetrated the highest levels of the US government. But it is possible. There is nothing to stop them."

The internal security threat emanates from a variety of lethal sources, according to Francis. "First of all, you have a number of active terrorist

groups: Iranian, Libyan, remnants of the Weathermen and the Symbionese Liberation Army, the Ku Klux Klan, and the Nazis. Second, you have a vast expansion of Soviet, Chinese, and Cuban diplomatic personnel, large numbers of which are under the control of the KGB. Not everyone knows it and nothing is being done about it. The FBI is handcuffed in dealing with them."

In 1976, in fact, Attorney General Edward Levi imposed new rules on FBI investigations, a reform stemming largely from the exposure of the Bureau's violations of civil liberties in its surveillance of radical groups. The Levi guidelines, as they are known, forbid the FBI from investigating groups unless they have engaged or are believed to be about to engage in criminal activity. "In my view they [the Levi rules] have functioned very well for the Bureau," said FBI director William H. Webster recently.

The Heritage report, however, advocates lifting the Levi guidelines, and

on this matter Francis expects a favorable hearing within the Reagan administration. "I would guess review of the guidelines would be likely," he says. "Reagan will be receptive." Richard Allen, Reagan's national security adviser, says, "The Heritage report will be seriously read, but that doesn't mean we will sign off on it." Martin Anderson, Reagan's chief domestic affairs adviser, adds, "There are a number of private reports, and we're looking at them." If the Levi guidelines are removed from the books the methods of dealing with the internal security threats enumerated in the Heritage report—surveillance, wire-tapping, mail covers, use of informers, breaking and entering—likely will be applied with renewed vigor.

Who, then, would be watched besides foreign agents, Patty Hearst, and Bernardine Dohrn? Subjects would come to mind naturally. "You have to have an ongoing surveillance program," Francis argues. To buttress his point, he read me a clipping from a

vintage progressive labor party magazine which extolled "armed struggle." The left wing of the political spectrum, to Francis, consists of "dissidents" and "subversives," but his proposal doesn't cover the former. Sometimes, however, it is difficult to separate run-of-the-mill dissidents from Smiley's people. Consider, for example, the case of the Institute for Policy Studies, a left-wing think tank in Washington, which has become one of the favorite whipping boys of the right. Conservatives charge that assassinated Chilean exile leader Orlando Letelier, who worked at IPS, was a Cuban agent. In addition, a best-selling roman à clef, *The Spike*, by Arnaud de Borchgrave and Robert Moss, depicts an institution suspiciously resembling IPS as a cover for Soviet intelligence operations. "I'm the last person to say that everyone at IPS is connected to Cuban or Soviet intelligence," says Francis. "But to my knowledge there has been no intensive private investigation of its foreign intelligence links."

It is worth pursuing. For now, he recommends that the Reagan administration keep a wary eye on IPS. "They should be placed under minimal surveillance. I don't think you should tap their phones or break into their offices," Francis says.

Who, then, would make the decisions about who should be spied on? Francis would like Reagan to avoid past mistakes. "If you get Gordon Liddy types, who knows where you will wind up?" says Francis. "If you have a professional staff, you will know where to draw the line." With experts in charge, reason will prevail. This is so clear to Francis that he can't discern why there has been any clamor in the press about the internal security section of the Heritage report. "I am surprised it provoked this much controversy. There's no mention of Joe McCarthy in this report."

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